

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6078

BILL NUMBER: HB 1132

NOTE PREPARED: Feb 11, 2010

BILL AMENDED: Jan 14, 2010

SUBJECT: Indiana Check-Up Plan Trust Fund Interest.

FIRST AUTHOR: Rep. Brown C

FIRST SPONSOR: Sen. Miller

BILL STATUS: CR Adopted - 2nd House

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) The bill specifies that beginning July 1, 2011, interest accrued from investments of funds from the Indiana check-up plan trust fund remains in the fund and does not revert to the state general fund.

The bill reestablishes the Indiana Check-up Plan Task Force until December 31, 2011

(The introduced version of this bill was prepared by the Interim Study Committee on Medicaid Supplemental Programs.)

Effective Date: (Amended) On Passage; July 1, 2010.

Explanation of State Expenditures: (Revised) The bill would reestablish the Check-up Plan Task Force to study, monitor, and provide guidance and to provide recommendations to the state concerning the Check-up Plan. The bill provides that the appointments of the 12 members appointed and serving on the Task Force on December 31, 2009, would continue. If a member resigns, the bill provides that the appointing authority who appointed the vacant position shall appoint another member so the Task Force consists of 12 voting lay members. Members do not receive salary per diem nor travel expenses related to service on the Task Force. The Office of Medicaid Policy and Planning is required to provide staffing for the Task Force and will be required to assist the Task Force in the preparation and filing of an interim and final report to the Governor and the Legislative Council by November 1, 2010 and 2011 respectively.

Explanation of State Revenues: (Revised) This bill would reduce interest revenue accruing to the General Fund after June 30, 2011. The bill would shift General Fund revenue to the nonreverting Indiana Check-Up

Plan Trust to be accumulated within the Trust Fund The interest earned on the free balance available in the Trust Fund is estimated to have been \$2.66 M in FY 2008 and \$2.9 M in FY 2009. Interest earnings can be anticipated to be reduced as the implementation of the Healthy Indiana Plan matures and draws down the accumulated balance in the Trust Fund by the end of the 5-year Medicaid waiver period.

The Indiana Check-Up Plan Trust Fund is funded with cigarette tax dollars.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Treasurer's Office and Family and Social Services Administration.

Local Agencies Affected:

Information Sources: Auditor's Appropriation Allotment Trial Balance Data and the *Annual Financial Report of the Office of the Treasurer of State for the State of Indiana*.

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